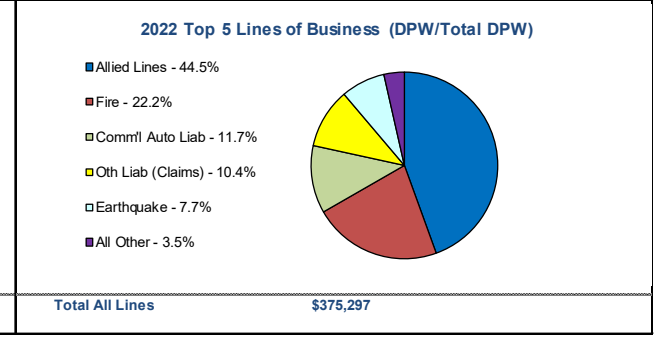
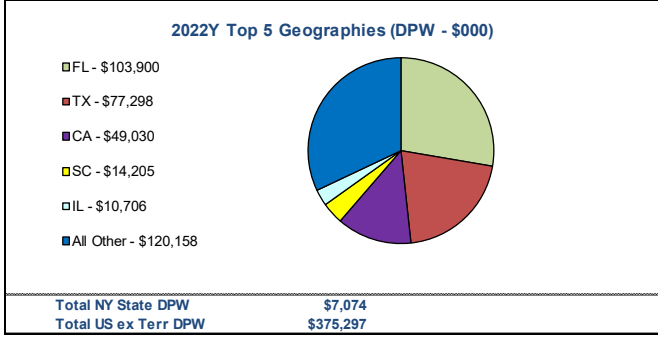
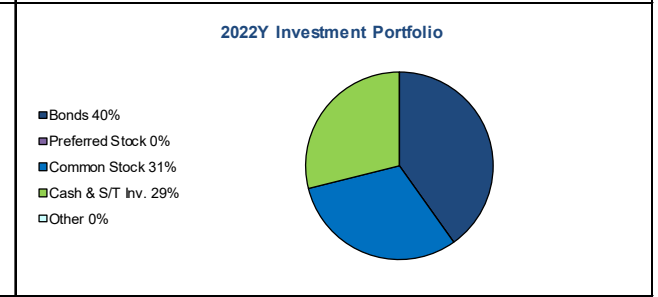
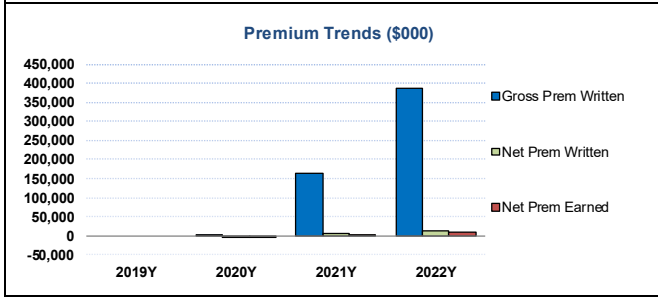
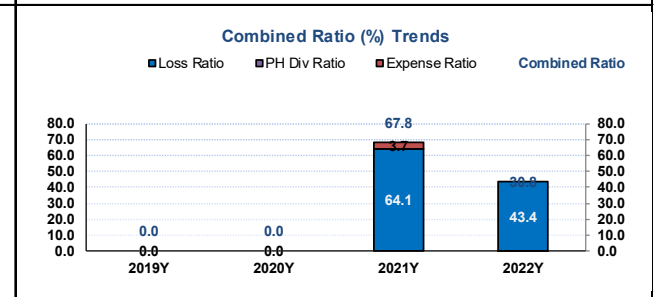
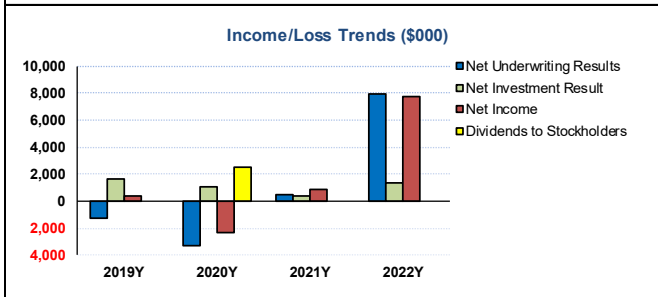




**TRANSVERSE SPECIALTY INSURANCE COMPANY, NAIC #41807  
MS&AD INSURANCE GROUP HOLDINGS, INC.**

Dollars in 000

	2019Y	2020Y	2021Y	2022Y		2019Y	2020Y	2021Y	2022Y
Total Assets	69,643	59,905	135,149	202,892	RBC Ratio (%)	17,117.6	18,709.2	1,379.4	1,438.9
Total Liabilities	2,806	3,044	32,024	88,801	2yr Res Development	1,258	-425	-1,148	-106
Policyholder Surplus	66,836	56,861	103,125	114,090	2yr Dev/ Surplus	166.3%	-63.9%	-171.8%	-18.6%
Cash & Invested Assets	69,339	52,293	106,208	130,816	Affiliated Common Stck	0	25,240	28,830	40,485
Cash & Invested Assets/ Total Assets	99.6%	87.3%	78.6%	64.5%	Affiliated CS / Surplus	0.0%	44.4%	28.0%	35.5%
Net Cash from Operations	718	-4,733	8,707	20,538	Net Reins Recoverable	1,587	2,790	129,464	272,576
Loss & LAE Reserves	1,416	5	1,040	5,542	Net Reins Rec / Surplus	2.4%	4.9%	125.5%	238.9%
Loss & LAE Reserves/Surplus	2.1%	0.0%	1.0%	4.9%	AMB / S&P Ratings	A / NR	A / NR	A / NR	A / NR



Total NY State DPW	\$7,074
Total US ex Terr DPW	\$375,297

Total All Lines	\$375,297
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**Top 5 Reinsurers for Transverse Specialty Ins Co. by Gross Recoverables  
Period: 2022Y**

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Horseshoe Re Limited	Non-US Unaffiliated	Unauthorized	73,634	0
2 - Arch Reinsurance Ltd.	Non-US Unaffiliated	Authorized	44,301	0
3 - Hannover Rück SE	Non-US Unaffiliated	Authorized	26,525	0
4 - Renaissance Reinsurance U.S. Inc.	US Unaffiliated	Authorized	15,935	0
5 - Swiss Reinsurance America Corporation	US Unaffiliated	Mixed Filing	15,824	0

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## ULTIMATE PARENT – MS&AD Insurance Group Holdings, Inc.

Corporate Profile		Financial Strength Ratings
Address:	MS&AD Insurance Group Holdings, Inc. West Tower Tokyo, -, -	S&P Global: - Moody's: #OUTSIDE SUBSCRIPTION Fitch: - AM Best - P&C: -
Website:	<a href="http://www.ms-ad-hd.com">www.ms-ad-hd.com</a>	
President :	Noriyuki Hara	
Ticker Symbol:	TSE: 8725	
2022 Form 10-K:	<a href="#">N/A</a>	

Highlights (¥000)	2019Y	2020Y	2021Y	2022Y
Total Assets	23,132,539	23,196,455	24,142,562	25,033,846
Total Policy Reserves	17,637,713	17,809,540	18,107,028	18,608,139
Total Debt	659,093	809,093	919,436	1,010,244
Total Other Liabilities	1,875,380	2,035,024	1,926,306	2,044,181
Sep Account Liabilities	2,298,979	2,024,281	2,060,062	1,888,006
Total Liabilities	20,354,492	20,702,416	21,015,905	21,731,096
<b>Total Equity</b>	<b>2,778,047</b>	<b>2,494,038</b>	<b>3,126,657</b>	<b>3,302,749</b>
Total Liab & Equity	23,132,539	23,196,454	24,142,562	25,033,845
Book Value / Share (\$)	4,713.46	4,310.49	5,527.25	5,956.61
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	0.87	0.86	0.86	0.86
Reserves / Equity (x)	6.35	7.14	5.79	5.63
Debt / Equity (x)	0.24	0.32	0.29	0.31
Dec. 31 Closing Price (\$)	3,370.00	3,025.00	3,249.00	3,978.00
Net Income (\$)	194,382	145,567	147,670	265,948
Basic EPS (\$)	328.73	248.36	255.80	474.52
Investment Yield (%)	NA	NA	NA	NA
Ratios (%)				
Loss Ratio	66.30	63.30	59.80	59.00
Expense Ratio	31.60	32.00	32.70	33.00
PH Dividend Ratio	0.00	0.00	0.00	0.00
Combined Ratio	97.90	95.30	92.50	92.00

### Company Description and Notes

Industries:

Geography:

## HISTORY

Transverse Specialty Insurance Company (TSIC) was incorporated in the State of Connecticut in November 1982 as Royal Surplus Lines Insurance Company (RSLIC), and a member of the Royal & Sun Alliance USA Inc. (RSAUSA) insurance group whose ultimate parent was RSA Insurance Group PLC. In May 2006, RSLIC re-domesticated to Delaware and became a subsidiary of Arrowood Indemnity Company (AIC), itself a subsidiary of Arrowpoint Capital Corporation (ACC), until a sale of the company, which was in runoff to Transverse Insurance Group. The sale was completed on January 23, 2020, at which time the name was changed to its current name in February 2020. TSIC re-domesticated to Texas in December 2021. TSIC is a domestic surplus lines insurer, eligible to write business in all 50 states and the District of Columbia. TSIC writes a mix of commercial and personal lines products as well as hybrid fronting program.

## REINSURANCE

TSIC is a participant in an intercompany pooling agreement including two (2) affiliates, as pool lead retaining 65% of combined business. The company then cedes to Transverse Insurance Company, Inc. (35%) and TRM Specialty Insurance Company (5%). All reinsurance is entered into for the benefit of the pool members and placed by the company as pool lead. For the years 2019 through 2022, respectively, TSIC net reinsurance recoverable totaled \$2M, \$3M, \$129M and \$273M, respectively, reflecting 2.4%, 4.9%, 125% and 239% of company surplus.

## HOLDING COMPANY

Transverse Insurance Group, LLC (TIG), was founded in 2018 as a hybrid fronting operation for program business. TIG operated as a subsidiary of Virgo Transverse Core, LLC, a private equity firm. Effective January 3, 2023, TIG became a wholly owned indirect subsidiary of MS&AD Insurance Group Holdings (MS&AD) following an acquisition by Mitsui Sumitomo Insurance Co. Ltd. (Mitsui). As a result of the acquisition, the ultimate controlling parent is MS&AD, which provides insurance and financial services worldwide. MS&AD was formerly known as Mitsui Sumitomo Insurance Group Holdings. MS&AD still operates through Mitsui. MS&AD, headquartered in Tokyo, Japan, was founded in 1918 and is a publicly traded company listed on the Tokyo Stock Exchange. For the years 2019 through 2022 Mitsui was rated by AM Best/S&P as A+/A+, and AM Best assigned the financial size of XV (\$2B - >).

## SUBSEQUENT NOTE WORTHY OBSERVATIONS

Revised November 2023

### Important Information Regarding Financial Summaries

This financial summary contains information helpful to New York excess lines brokers in meeting their non-delegable duty to use "due care" in the selection of a financially secure excess line insurer. Definitions of the financial terms used in the summaries appear as pop-up boxes when hovering your mouse over the corresponding text. For additional guidance on assessing insurance company financial statements, please reference "ELANY COMPLIANCE ADVISOR: FUNDAMENTALS OF INSURANCE COMPANY FINANCIAL ANALYSIS".

The Excess Line Association of New York has compiled the insurance company financial information from the Annual Statutory Financial Statements. All ratios, charts, and graphs are based on the compiled information. We have made every effort to ensure all information transcribed for these pages is correct. However, the Excess Line Association of New York cannot attest to the accuracy of data provided by its sources, nor do we make any warranties, either expressed or implied, regarding the accuracy or completeness of information presented in this document. We assume no responsibility for loss or damage resulting from the use of this information.